GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:3678
ANSWERED ON:07.08.2002
DEMAND AND PRODUCTION OF STEEL
ALE NARENDRA

Will the Minister of STEEL be pleased to state:

(a) the total demand and production of steel in the country at present;

(b) whether a large quantity of high grade steel is being imported from abroad;

(c) if so, the quantity and value of steel imported during each of the last three years, year-wise;

(d) whether consumption of steel is increasing in the country; and

(e) if so, the extent thereof and the steps taken by the Government to meet the steel demand?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) Demand for steel is estimated on an annual basis and for 2002-03, demand for finished steel in the country has been estimated to be 30 million tonnes. For the period April-July, 2002, the production of finished steel is 10.26 million tonnes (Provisonal).

(b)&(c): Some quantity of high-grade steel, which is not economical to produce domestically, is being imported from abroad. The quantity and value of alloy and stainless steel imported during each of the last three years is indicated below:

(Quantity in `000 tonnes)
(Value in Rs. Crore)

Alloy/Stainless	2001-02	2000-01	1999-2000
Quantity	102.5	74.3	77.6
Value	512.47	440.34	386.45

(d)&(e): The consumption of steel has been increasing in the country. In 2001-02, consumption of finished steel in the country was 27.3 million tonnes which shows a growth of 3.1% compared to the consumption of previous year`s level of 26.5 million tonnes. In April-July, 2002, the consumption has registered a growth of 8% as compared to the corresponding period last year. However, there is no shortage in supply as production has been able to keep pace with demand. Keeping the market conditions in view, Government have taken several steps to raise the demand/consumption level in the country, which inter-alia includes:

(i) Constitution of a National Campaign Committee to promote steel demand/consumption through developments of markets specially in the rural areas.

(ii) Encourage use of steel in new application areas such as grain storage systems, crash barriers in highways and expressways.

(iii) Providing financial support to R&D ventures in Iron and Steel Sector to reduce production cost.